6 January 1949

ADDITIONAL STATEMENT FOR THE RECORD OF MR.
RICHARDSON BRONSON
BEFORE THE FEDERAL TRADE INVESTIGATION
COMMITTEE

1. Since testifying before the Royall Committee, certain matters have arisen which I wish to have introduced formally into the record. I attach hereto my comments dated 28 December 1948, in triplicate, concerning the testimony of Mr. C. H. Collison and concerning the testimony of Mr. Alexander Sacks.

2. In addition, I submit herewith one copy of a memorandum prepared by me, dated 22nd December 1947, with the subject:

A. Status of the Decartelization Program, U.S. Zone
B. Policy Questions and Determinations.

This memorandum was submitted to the Director of the Economics Division of OMGUS for the purpose of advising the Military Governor of the status of the decartelization program in the U.S. Zone and to present certain problems and questions on which clarification was considered necessary.

3. Attached hereto is a copy of a letter addressed to the Legal Division of OMGUS thru the Economics Adviser requesting a legal opinion as to the legality under Law 56 of the contract between Robert Bosch GmbH and the Industrial Products Trading Company, together with the opinion of the Legal Division of OMGUS, submitted pursuant to such request.

4. Attached hereto is a copy of a letter written to Brigadier Oxborrow concerning a proposed investigation to be made as to the surrounding circumstances of the entry into a contract between Robert Bosch GmbH and Industrial Products Trading Company and the question as to the background of Industrial Products Trading Company. Attached to such letter is a copy of a memorandum of the allegations of Mr. Sacks as referred to in such letter.

5. For the purpose of the record, I wish to state that an investigation has already commenced into the surrounding circumstances concerning the Industrial Products Trading Company and its organization. The British Decartelization Element has verbally informed me that it is unwilling to have any member of its staff take part in this investigation. The Joint Export-Import Agency has however assigned one of its lawyers, Mr. Clark Denney, who is working with the U.S. Decartelization Element in the investigation. The first witness of the investigation was Mr. Arthur Wilson, and he testified at length under oath. The next phase of the investigation will be the interrogation of Mr. Theo Gherzos who will appear before the U.S. Decartelization Commission in Frankfurt some time the week of 10 January. Mr. Gherzos has been directed to present a substantial amount of documentary evidence. The next phase of the investigation will be to interrogate the personnel of Robert Bosch GmbH. Upon the finishing of the investigation, the conclusions of the investigating group will be submitted to the U.S. Chairman of the Bipartite Control Office with the recommendations of the investigation group. A copy of the testimony taken before the investigating Committee together with a copy of the findings of the investigating group will be transmitted to the Royall Committee.

6. The Royall Committee will be furnished as soon as available the list of the cartels that have been terminated in the U.S. Zone of Germany as referred to in the testimony of Mr. Henry Heymann.

7. I shall cause to be transmitted to Mr. Stedman, as the Secretary of the Royall Committee, the various documents to be furnished to me from Mr. Kirby of Duesseldorf and Mr. Lord of Munich, and any other documents which have been in course of preparation at the request of the Committee.

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8. For the purpose of the record, I wish to bring to the attention of the Committee that in numerous instances many problems affecting Decartelization in the U.S. Zone of Germany have been submitted to the Political Affairs Division of OMGUS for their comments, and in instances to the Department of State in Washington. Specific examples of matters which have gone to the Department of State are the Brown Boveri proceedings, the German Watchmakers problem, and many others.

RICHARDSON BRONSON /s/

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